

ASSEMBLY, No. 1568

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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SYNOPSIS

Establishes Loan Redemption Program for Teachers of Agriculture in Higher Education Student Assistance Authority.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** establishing the Loan Redemption Program for Teachers of
2 Agriculture and supplementing chapter 71C of Title 18A of the
3 New Jersey Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. This act shall be known and may be cited as the "Loan
9 Redemption Program for Teachers of Agriculture Act."

10
11 2. The Legislature finds and declares that:

12 a. There are 45 approved agricultural education programs in 33
13 New Jersey school districts;

14 b. Since 2009, 39 teachers from 22 New Jersey Agricultural
15 Science Education programs have transformed their agriculture
16 programs from traditional horticulture or agriculture programs to
17 academically/STEM-infused agricultural science programs using
18 the national Curriculum for Agricultural Science Education (CASE)
19 Program;

20 c. Agriculture classrooms are being transformed into agricultural
21 science laboratories with lab tables, hand held computers, test tubes,
22 microscopes, and other equipment;

23 d. The United States Department of Agriculture projects that
24 there will be nearly 58,000 average annual openings for graduates
25 with a bachelor's degree or higher in the field of food, agriculture,
26 renewable natural resources, and the environment, but less than
27 36,000 qualified graduates to fill those openings;

28 e. College graduates with expertise in food, agriculture,
29 renewable natural resources, and the environment are essential to
30 our ability to address the national priorities of food security,
31 sustainable energy, and environmental quality;

32 f. Food and agriculture are New Jersey's third largest industry.
33 In 2015, the State's 9,071 farms generated cash receipts of about \$1
34 billion; and

35 g. In order to meet future labor demand in this vital industry, it
36 is imperative that high schools are able to offer and staff high-
37 quality academic programs that ignite students' interest in
38 agricultural science careers.

39

40 3. As used in this act:

41 "Approved course of study" means an undergraduate program
42 leading to a bachelor's degree offered by a four-year public or
43 independent institution of higher education.

44 "Authority" means the Higher Education Student Assistance
45 Authority established pursuant to N.J.S.18A:71A-3.

46 "Eligible student loan expenses" mean the cumulative
47 outstanding balance of student loans, covering the cost of
48 attendance while enrolled in an approved course of study. Interest

1 paid or due on student loans that a program participant has taken
2 out for use in paying the costs of attendance at an institution of
3 higher education shall be considered eligible for reimbursement
4 under the program.

5 "Program" means the Loan Redemption Program for Teachers of
6 Agriculture established pursuant to this act.

7 "Program participant" means a person who has executed a
8 contract with the authority for participation in the program.

9

10 4. a. There is established the Loan Redemption Program for
11 Teachers of Agriculture within the Higher Education Student
12 Assistance Authority. The purpose of the program is to provide an
13 incentive for individuals to begin a career in agricultural education.
14 The program shall provide for the redemption of a portion of the
15 eligible student loan expenses of a program participant for each
16 year of full-time employment in a school district as a certified
17 teacher in a career and technical education program in agriculture
18 approved by the Department of Education.

19 b. The authority shall limit the number of participants to a total
20 of ten participants in each program year.

21

22 5. To be eligible to participate in the program, an applicant
23 shall:

24 a. be a resident of the State and maintain domicile in the State
25 during participation in the program;

26 b. have successfully completed an approved course of study
27 within a five-year period prior to applying for the program;

28 c. have an outstanding balance with a State or federal student
29 loan program and not be in default on any student loan; and

30 d. be a certified teacher who holds an endorsement issued by
31 the State Board of Examiners that authorizes the holder to teach
32 agriculture.

33

34 6. a. An individual may apply to the authority to participate in
35 the program in such a manner as the authority prescribes and shall
36 include all information and documentation required by the
37 authority.

38 b. A program participant shall enter into a written contract with
39 the authority to participate in the program. The contract shall
40 specify the duration of the applicant's required employment as a
41 teacher of agriculture, which shall be no less than five years, and
42 the total amount of eligible student loan expenses to be redeemed
43 by the State in return for employment as a teacher of agriculture.

44 c. The redemption of loans under the program shall not exceed
45 \$10,000 of principal and interest of eligible student loan expenses
46 for each full year of employment by the program participant. The
47 total loan redemption amount for a program participant, for five
48 years of employment, shall not exceed \$50,000. No amount of loan

1 redemption shall be provided for employment performed for less
2 than a full year.

3 d. The period of service shall commence on or after the date of
4 enactment of this act.

5
6 7. a. A program participant who has entered into a redemption
7 contract with the authority may nullify that contract by submitting
8 written notification to the authority and assuming full responsibility
9 for repayment of the full amount of the participant's loan or that
10 portion of the loan that has not been redeemed by the State in return
11 for partial fulfillment of the contract.

12 b. In the case of a program participant's death or total or
13 permanent disability, the authority shall nullify the service
14 obligation of the participant, thereby terminating the participant's
15 service obligation; or where continued enforcement of the contract
16 may result in extreme hardship, the authority may nullify or
17 suspend the participant's service obligation.

18
19 8. The authority shall annually submit a report on the program
20 to the Governor, and to the Legislature pursuant to section 2 of
21 P.L.1991, c.164 (C.52:14-19.1). The report shall be submitted no
22 later than August 1 of each year and shall include, but not be
23 limited to, the following information for the prior fiscal year:

24 a. the total number of participants receiving loan redemption
25 under the program;

26 b. the impact of the program on attracting individuals to teach
27 in the field of agriculture; and

28 c. the total number of participants who withdrew from the
29 program and failed to complete the program's requirements.

30
31 9. The Higher Education Student Assistance Authority, in
32 consultation with the Department of Agriculture, pursuant to the
33 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
34 seq.), shall adopt rules and regulations necessary to implement the
35 provisions of this act.

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37 10. This act shall take effect on the 90th day after the date of
38 enactment.

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STATEMENT

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43 This bill establishes the Loan Redemption Program for Teachers
44 of Agriculture within the Higher Education Student Assistance
45 Authority (HESAA). The purpose of the program is to provide an
46 incentive for individuals to begin a career in agricultural education.
47 The program will provide for the redemption of a portion of the
48 eligible student loan expenses of program participants for each year

1 of full-time employment in a school district as a certified teacher in
2 a career and technical education program in agriculture approved by
3 the Department of Education.

4 Under the bill, HESAA will offer loan redemption for up to a
5 total of ten participants in each program year. Loan redemption for
6 each participant is capped at \$10,000 a year, with a maximum five
7 year loan redemption value of \$50,000. To be eligible to participate
8 in the program, an applicant must: be a resident of the State and
9 maintain domicile in the State during participation in the program;
10 have successfully completed an approved course of study within a
11 five-year period prior to applying for the program; have an
12 outstanding balance with a State or federal student loan program
13 and not be in default on any student loan; and be a certified teacher
14 who holds an endorsement issued by the State Board of Examiners
15 that authorizes the holder to teach agriculture.

16 A program participant will enter into a written contract with
17 HESAA to participate in the program. The contract will specify the
18 duration of the applicant's required employment by a school district
19 as a teacher of agriculture, which will be no less than five years,
20 and the total amount of eligible student loan expenses to be
21 redeemed by the State in return for service.